

2006 / Fiscal Year 2007 Priorities

Maintaining Missourians' Access to Care

To maintain access to care for low-income Missourians, Governor Blunt recommends \$6 billion in total funding, which is an increase of \$659 million. Over 900,000 Missourians will receive Medicaid in Fiscal Year 2007, which represents one in every six Missourians. The Governor also recommends:

- A \$1 per hour increase for in-home healthcare providers. This will be a \$27 million increase, which will bring Fiscal Year 2007 recommended total funding for the in-home services program to \$416.7 million.
- \$700,000 to establish and expand community health centers in Hannibal, Jefferson City, Naylor, and Poplar Bluff. This will bring state funding for these centers to \$8.7 million.

Establishment of the Health Care Technology Fund

Governor Blunt has recommended \$25 million in state funds to establish a Health Care Technology Fund.

- This fund will support projects that promote the use of technology in healthcare, and create data and automation systems that provide critical information about the population served.
- The Governor will also establish the Missouri Health Information Technology Taskforce to analyze and develop recommendations to modernize Missouri's healthcare delivery system.

Patients' Right to Know Initiative

To improve patients' access and understanding of healthcare quality and costs, the Governor:

- Believes providing easier access to this information will help Missourians make informed healthcare decisions.
- Has asked the Department of Health and Senior Services to create a comprehensive tool that allows Missourians to easily access healthcare quality and cost information.

Chronic Care Improvement Program

The Department of Social Services is currently in the process of implementing a Chronic Care Improvement Program.

- Through care coordination, the program will increase involvement of the central primary healthcare provider, empower patients to perform healthcare self-management, and utilize existing community resources and health infrastructures.

Eliminating Waste, Fraud, and Abuse in Medicaid

Governor Blunt has recommended an additional \$100,000 to investigate Medicaid fraud.

- The Governor has instructed the Department of Social Services to contract with a private agency to verify and investigate selected Medicaid cases. Similar programs in other states have recovered ten to twenty dollars on every dollar invested in contracted services.

Improving Missourians' Health

“Improving Missourians’ health means improving Missourians’ quality of life. The state must join with the people to find innovative solutions to minimize the impact of the rising cost of healthcare.”

- Matt Blunt

2005 Successes

Preserving Access to Healthcare for Children, Pregnant Women, and the Blind

In 2005, Governor Blunt preserved healthcare coverage for children, pregnant women, and the blind.

The State Children’s Health Insurance Program is a good investment of taxpayer dollars. Children who are healthy miss fewer days of school and are better able to learn in the classroom.

Protecting healthcare for pregnant women also helps to encourage expectant mothers to seek prenatal healthcare, advice and assistance, and reflects Governor Blunt’s belief in the sanctity and value of innocent life.

Increased Pay for Providers of In-Home Services

The Governor has highlighted the importance of in-home care to allow senior citizens who need assistance to remain in their homes and their communities. Governor Blunt recommended a \$2 per hour increase for in-home care providers. He was able to sign a budget that enacted a 64-cent per hour, \$13.6 million, rate increase. This increase brought total funding for in-home care services in Fiscal Year 2006 to \$378.8 million.

The Healthy Missourians Initiative

The Governor's "Healthy Missourians Initiative" outlines a number of actions to help address the obesity problem and encourage healthier living, including:

- Supporting family-focused community activities that provide healthy nutrition and physical activity opportunities.



UPI Photo/Bill Greenblatt

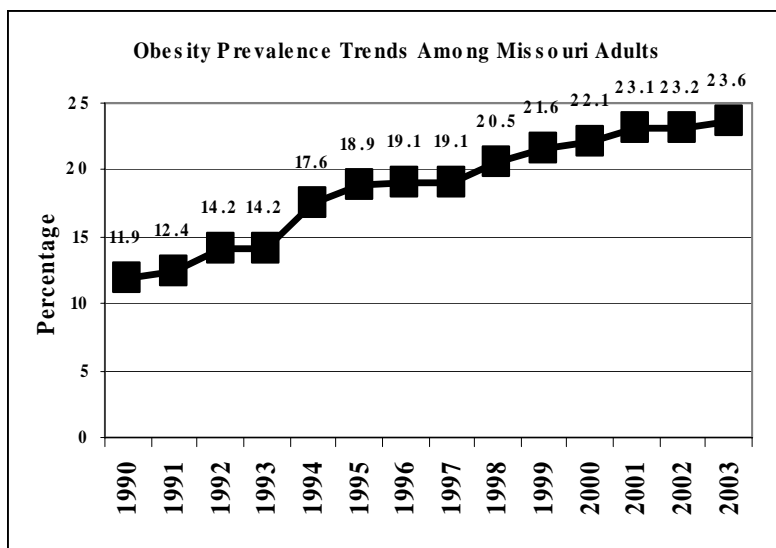
- Helping schools and child-care facilities identify resources to assist families with children at risk for obesity.

- Recognizing successful approaches used by employers to improve nutrition, physical activity, and breastfeeding practices of employees.

- Providing training, resources, and assistance to schools, child-care facilities, families, communities, and employers.

- Providing support for primary health care facilities to address obesity risks in early stages.

- Informing public officials about the health and economic costs of obesity.



An Increased Focus on Waste, Fraud, and Abuse

Strong policies to root out and address waste, fraud, and abuse in Missouri's Medicaid Program have focused on both recipients and providers. Aggressive investigations have targeted systematic and anomalous patterns. These actions, along with reverification of eligibility, are resulting in increasing efficiency.

The largest tragedy of Medicaid fraud is that those who misuse, abuse, and steal from this system are stealing from every taxpayer in this state. They are taking taxpayer dollars that should rightfully be used to support and maintain a needy Missourian's healthcare and quality of life.

Over 900,000 Missourians will still receive Medicaid benefits in Fiscal Year 2006. This represents over 16 percent of Missourians.

There are many good, upstanding physicians and providers who abhor the crimes that are committed against Missouri's social welfare system.

The state's focus must be first on the prevention of fraud, to stop improper payments before they go out, and avoid the lengthy and expensive process of litigation. Efforts will continue to increase efficiency and fraud prevention.

- Medstat, Medicaid's tool for identifying fraud, was expanded since Governor Blunt took office. As of November 2005, this program's cost avoidance and cash recoveries increased by \$4.9 million dollars.
- The efforts to recover funds when a third party payer owes Medicaid money were successful in collecting over \$42 million since last January. This is an increase of \$12.3 million.
- Through renegotiating transportation contracts, the state was able to save over \$15 million annually and more efficiently utilize federal matching funds to further reduce the state's costs by over \$3 million annually.

- Governor Blunt called for an increased emphasis on annual reverifications which resulted in the completion of more reinvestigations and over the course of the year has saved the state an estimated \$104 million.
- The Department of Social Services (DSS) has increased efforts to identify and eliminate provider fraud. Through the use of technology, like the Fraud Abuse Detection System and Program Integrity staff efforts, DSS continues to improve the monitoring of program compliance by providers.
- Medicaid will save \$2.4 million per year by renegotiating the arrangement to provide CPAP (continuous positive airway pressure) and BiPAP (bi-level positive airway pressure) machines so that payments for the equipment are more like a lease-purchase, ensuring that the rental price of the machine does not exceed its purchase price.

Maintaining Sustainability of Medicaid

Medicaid is in place to provide a safety net for those who truly need assistance. However, Missouri's Medicaid Program was growing at more than five times the rate of inflation and threatening the ability of the state to fund other core functions. Difficult decisions, which had been put off for too long, needed to be made to rein in the growth of this system and maintain the sustainability of Missouri's important healthcare safety net.

- Prior to Fiscal Year 2003 the elderly and permanently disabled eligibility level was between 74 and 77 percent of the federal poverty level. In Fiscal Year 2003, the eligibility level was expanded to 80 percent, then 90 percent in Fiscal Year 2004, and by executive order to 100 percent of the federal poverty limit in Fiscal Year 2005.
- Medicaid reforms passed in 2005 make reasonable changes to roll eligibility levels for the elderly and permanently disabled to 85 percent of the federal poverty level and those affected can still participate through spenddown. This change is still above the eligibility levels for Fiscal Year 2003, just three years ago.

